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# Foreign CROPS AND MARKETS



VOLUME 60

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WORLD TOBACCO PRODUCTION (Page 552)

L A T E N E W S (Page 551)

## CONTENTS

	Page
FOR RELEASE	
MONDAY	
JUNE 5, 1950	
COTTON AND OTHER FIBER	
Indian Cotton Consumption Declines.....	563
Cotton-Price Quotations On World Markets.....	563
FATS AND OILS	
Dominican Republic's Fats and Oils Supplies Increase; Prices Decline.....	556
France Plants Smaller Acreage to Oilseed Crops.....	557
South Korean Oilseed Production Exceeds 1948.....	558
Venezuelan Hog Lard Quota Expected to be Announced Shortly.....	559
GRAINS, GRAIN PRODUCTS AND FEEDS	
Philippine Rice Crop Breaks Preceding Year's Record..	560
Cuba Fixes Ceiling Price on Corn.....	562
Egyptian Government to Requisition Part of 1950 Wheat Crop.....	563
LIVESTOCK AND ANIMAL PRODUCTS	
Belgium Removes Cheese Tariff and Subsidizes Dairy Products.....	563
TOBACCO	
World 1949-50 Tobacco Production Slightly Below 1948-49.....	552
Switzerland's Foreign Trade In Tobacco Steady.....	555

UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF FOREIGN AGRICULTURAL RELATIONS  
WASHINGTON 25, D.C.

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L A T E      N E W S

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New Zealand Prime Minister announced on May 5 the removal of several subsidies, including dairy and poultry products, and granted compensating price increases.

The price of butter increased to 28 cents per pound and fluid milk will be raised to 9 cents a quart the year around. Eggs will be increased by about 5 cents a dozen. Butter was removed from rationing on June 4, 1950.

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United Kingdom Minister of Agriculture has estimated fluid milk per capita consumption thus far in 1950 at .75 pints as compared to .7 pints in 1948 and .43 pints in 1938.

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A Swiss physician has reportedly developed a new solution for preserving eggs. It can be applied at normal temperatures by a dipping process and is supposed to keep eggs fresh at least a year without refrigerated storage. The protective film which is formed under the shell is odorless, tasteless and harmless to the health.

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The Egyptian Government is attempting to encourage poultry keeping to prewar levels by paying subsidies to hatcheries. The annual subsidy is approximately \$14.35 for each incubator in operation prior to January 15, 1942, and an additional payment of 1/3 of a cent is made for each chick above the previous year's output.

Egyptian output of chicks had decreased 50 percent by 1949 from the 80 million chicks hatched in 1939. Of the 764 incubators in operation in 1939, only 410 were still functioning in 1949.

(Continued on Page 566)

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FOREIGN CROPS AND MARKETS

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Published weekly to inform producers, processors, distributors and consumers of farm products of current developments abroad in the crop and livestock industries, foreign trends in prices and consumption of farm products, and world agricultural trade. Circulation of this periodical is free to those needing the information it contains in farming, business and professional operations. Issued by the Office of Foreign Agricultural Relations of the U.S. Department of Agriculture, Washington 25, D.C.



WORLD 1949-50 TOBACCO PRODUCTION SLIGHTLY BELOW 1948-49 1/

The world's tobacco harvest during the 12 months, July 1949 through June 1950, is estimated at 7,200 million pounds, compared with the 1948-49 production of 7,400 million pounds and the prewar, 1935-39, annual average of 6,597 million pounds. The data for 1948-49 and 1949-50 are revisions from estimates released in November 1949. For both years the harvest is slightly larger than previously reported.

Productions in 1949-50 in Canada, Cuba, Greece, Southern Rhodesia, Turkey, and a number of other countries are well above 1948-49 harvests, but increases in these areas are more than offset by a sharp decline in China and moderate declines in several other important tobacco growing countries. The world crop is estimated at approximately 3 percent below the 1948-49 output.

The 1949-50 production of flue-cured leaf, the principal type entering world trade, was about 4 percent below the 1948-49 outturn. The estimated reduction of over 50 percent in China's 1949 flue-cured crop, however, has been partly offset by increases in Canada, the United States, Korea, and the countries of Southern Africa.

In the case of Oriental or Turkish type tobacco, another important type entering world trade, 1949-50 production is estimated to be well above the 1948-49 crop. The 1949-50 harvests in Greece, Turkey, and Yugoslavia are reported to be substantially above the previous crops. Increases in production of Oriental type leaf are also reported for the countries of Southern Africa and certain other minor producing areas. Some decline in 1949-50 production is reported for Bulgaria and Italy.

The 1949-50 world production of light air-cured types of tobacco, which represent an important portion of total production in many producing countries, is estimated to be slightly below the 1948-49 output. The production of dark types, other than strictly cigar leaf, are also estimated to be somewhat lower in 1949-50. The production of cigar types are reported to exceed the 1948-49 output, as a result of larger crops in Cuba, Indonesia, and the Philippine Republic.

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1/ A more extensive statement may be obtained from the Office of Foreign Agricultural Relations, U. S. Department of Agriculture, Washington 25, D. C.

This is one of a series of regularly scheduled reports on world agricultural production approved by the Office of Foreign Agricultural Relations Committee on Foreign Crop and Livestock Statistics. For this report the Committee was composed of Joseph A. Becker, Chairman, C. S. Stephanides and Clarence E. Pike.

TOBACCO: Acreage, yield per acre, and production in specified countries, average, 1935-39, annual 1948 and 1949 1/

Continent and Country	Acreage Harvested			Yield per Acre 2/			Production		
	Average			Average			Average		
	1935-39	1948 3/	1949 3/	1935-39	1948 3/	1949 3/	1935-39	1948 3/	1949 3/
	1,000 acres	1,000 acres	1,000 acres	Pounds	Pounds	Pounds	1,000 pounds	1,000 pounds	1,000 pounds
<b>NORTH AMERICA:</b>									
Canada	69	111	110	1,103	1,145	1,264	76,556	126,629	138,660
Mexico	51	-	-	840	-	-	42,226	53,472	55,633
United States	1,647	1,555	1,630	887	1,274	1,209	1,460,054	1,981,272	1,970,376
Cuba	107	112	136	474	476	735	50,833	53,310	100,000
Dominican Republic	-	54	38	-	810	803 4/	13,660	43,722	30,864
Puerto Rico	44	29	32	673	880	875	29,393	25,500	28,000
Estimated total 5/	1,960	1,970	2,050	-	-	-	1,710,000	2,300,000	2,340,000
<b>EUROPE:</b>									
Albania	5	-	-	826	-	-	4,082	-	-
Belgium	6	4	3	2,500	1,571	2,079	16,431	6,314	6,971
Bulgaria 6/	94	-	-	809	-	-	75,871	44,000	-
Czechoslovakia 6/	24	15	14 7/	1,288	1,303	1,300 7/	31,143	19,863	17,684
France	44	64	75	1,676	1,663	1,501	72,995	106,597	97,443
Germany 6/	33	22	23	2,254	1,450	1,900	74,355	32,000	44,000
Greece 6/	226	177	199	589	455	576	132,819	80,664	114,778
Hungary 6/	37	47	53	1,238	1,076	-	45,872	50,706	-
Italy 6/	81	144	135	1,173	1,138	980	95,511	164,077	132,461
Poland 6/	17	36	35	1,664	1,338	-	28,566	47,990	-
Rumania 6/	44	69	-	647	536	-	28,697	37,037	-
Spain	-	22	22	-	1,403	1,325	17,322	30,864	29,136
Sweden	1	1	1	1,735	1,446	1,459	1,061	979	902
Switzerland	1	2	2	1,571	1,582	1,730	2,276	3,834	4,189
Yugoslavia 6/	39	-	-	969	-	-	37,410	62,000	65,000
Estimated total 5/	680	790	840	-	-	-	675,000	700,000	700,000
<b>U. S. S. R.</b>									
	7/	490	-	7/	1,129	-	7/	525,000	-
<b>ASIA:</b>									
Iran	32	35	40	1,096	628	630	34,542	22,262	24,912
Iraq	11	11	-	752	802	-	8,057	8,818	-
Syria 8/	13	13	17	699	653	470	8,377	8,377	7,940
Lebanon 8/	13	5	5	661	622	495	128,505	162,986	2,568
Turkey	194	262	469	990	622	573	107,072	128,986	268,961
Burma	108	133	-	990	-	-	1,07,072	-	-
China 6/	1,228	1,529	1,200	1,021	1,042	1,000	1,254,539	1,593,169	1,200,000
French Indo China	44	-	-	728	-	-	32,004	-	-

<b>ASIA (Continued)</b>									
India	917	-	831	-	-	761,600	725,000	800,000	
Pakistan	355	-	913	-	-	324,053	175,000	175,000	
Japan	92	126	1,621	1,714	1,428	148,680	216,051	176,368	
Taiwan (Formosa)	4	11	1,458	1,150	892	5,961	12,787	8,818	
Korea 5/	46	38	1,252	1,199	1,428	57,304	45,882	70,024	
Java and Madura:									
Estate	69	25	976	575	575	67,672	14,300	22,000	
Native	349	-	402	-	-	140,298	-	-	
Sumatra Estate	31	12	988	940	925	30,715	11,600	12,000	
Philippine Republic	176	96	427	505	-	74,811	48,325	52,910	
Thailand (Siam)	25	40	688	551	-	17,179	22,046	-	
Estimated total 5/	3,750	3,780	3,680	-	-	3,250,000	3,370,000	3,070,000	
<b>SOUTH AMERICA:</b>									
Argentina	34	51	928	1,130	900	31,558	57,760	56,000	
Brazil	237	368	851	693	-	202,703	255,171	260,000	
Chile	9	10	1,846	1,800	1,643	16,618	17,211	15,977	
Colombia	37	49	803	895	-	29,706	43,650	34,800	
Paraguay	22	16	801	1,078	1,080	17,792	17,161	20,000	
Uruguay	2	-	825	-	-	1,254	2,200	-	
Estimated total 5/	355	510	525	-	-	305,229	410,000	410,000	
<b>AFRICA:</b>									
Algeria	56	51	691	843	675	39,657	42,990	40,565	
Nyasaland	57	-	286	-	-	16,311	25,240	27,424	
Madagascar	19	7	754	590	-	14,154	4,039	-	
Northern Rhodesia	4	13	426	457	403	1,635	5,980	7,675	
Southern Rhodesia	51	129	507	649	646	26,061	93,568	105,309	
Tunisia	1	2	1,196	1,117	714	1,202	2,566	2,459	
Union of South Africa	41	-	500	-	-	20,475	45,509	46,000	
Estimated total 5/	245	410	460	-	-	125,000	220,000	245,000	
<b>CCEANIA:</b>									
Australia	10	4	532	965	942	5,276	3,566	4,476	
New Zealand	2	4	787	1,138	1,140	1,457	5,000	4,500	
Estimated total 5/	12	8	-	-	-	6,733	8,566	8,976	
Estimated World total 5/	7,492	8,000	8,090	-	-	6,597,000	7,400,000	7,200,000	

1/ Year beginning July 1. For North temperate zone countries, harvests July through October of the year shown; for all other countries, harvests November and December of the year shown and January through June of the following year. 2/ Yields are calculated from detailed acreage and production estimates rather than estimates rounded to the nearest thousand. 3/ Preliminary. 4/ Exports, production data not available. 5/ Totals include approximations for countries not listed and for countries listed where data are not available. 6/ Data for 1935-39 not comparable with subsequent years. Data for 1948 and 1949 are for postwar areas. In the case of Germany, data for 1948 and 1949 are for Western Germany only. For Korea, 1948 and 1949 data are for South Korea only. In the case of China, postwar data are for all China except Manchuria, 1935-39 data are for Free China only. 7/ Less than a 5-year average. 8/ Separate data not available for 1935-39.

Office of Foreign Agricultural Relations. Official estimates of foreign countries, reports from U. S. Foreign Service Officers, results of Office research, and other information.



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C O M M O D I T Y   D E V E L O P M E N T S

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TOBACCOSWITZERLAND'S FOREIGN TRADE  
IN TOBACCO STEADY

Switzerland's 1949 imports of leaf tobacco and exports of manufactured tobacco products were near the levels of previous year, according to the American Consulate in Zurich.

Leaf imports into Switzerland in 1949 totaled 21,636,000 pounds, compared with 22,998,000 pounds in 1948 and 22,253,000 pounds in 1947. The United States was the chief source of supply in 1949, supplying 11,305,000 pounds, or about 52 percent of the country's total leaf imports. This amount compares with 11,823,000 pounds, or 51 percent in 1948 and 10,671,000 pounds, or 48 percent in 1947. The 1949 imports from Brazil, Switzerland's second most important source of supply, totaled 3,713,000 pounds, or about 17 percent of the country's total leaf imports, compared with 20 percent in 1948 and 21 percent in 1947. Other countries supplying substantial quantities of leaf in 1949 include Turkey, Bulgaria, Greece, Indonesia, the Dominican Republic, Argentina and Cuba.

Switzerland's 1949 imports of manufactured tobacco products totaled about 308,400 pounds. This compares with 464,300 pounds in 1948 and 537,700 pounds in 1947. Imports of United States cigarettes in 1949 totaled 201,700 pounds, or 65 percent of the total imports of manufactured tobacco products. Cigarettes from the United Kingdom, cigars from Brazil and Cuba and pipe tobacco from the United Kingdom and the United States comprised the bulk of the remaining imports.

The country's exports of manufactured tobacco products totaled 4,582,000 pounds in 1949, compared with 4,577,000 pounds in 1948 and 2,152,000 pounds in 1947. Cigarette exports in 1949 totaled 3,745,000 pounds, or 82 percent of the total exports of manufactured tobacco products, compared with 3,769,000 pounds, or 82 percent in 1948.

Other exports in 1949 included 417,000 pounds of pipe tobacco, 78,000 pounds of cigars and 342,000 pounds of tobacco extract. Italy took 3,282,000 pounds, or 72 percent of Switzerland's total exports of manufactured tobacco products in 1949. Other export outlets for Switzerland's manufactured tobacco products in 1949 include Germany, Trieste, Austria, Belgium, Czechoslovakia and the Netherlands.



FATS AND OILSDOMINICAN REPUBLIC'S FATS AND OILS  
SUPPLIES INCREASE; PRICES DECLINE

The Dominican Republic's fats and oils situation during 1949 was characterized by a moderate decline in prices of domestically produced fats as production increased, and smaller imports of most products, according to the American Embassy, Ciudad Trujillo.

The program of the Dominican Government to expand peanut production for the oil factory at Ciudad Trujillo was very successful in 1949. A record crop of approximately 23,500 short tons of peanuts in the shell were harvested from 62,100 acres compared with the previous record of 10,200 tons from 41,600 acres in 1948. Compared with 1948, the average yield per acre rose 54 percent to 756 pounds because of better seed, more adequate water supplies, and better methods of cultivation.

The Dominican Department of Agriculture, Livestock, and Colonization, which launched the peanut development program in 1948, loaned its tractors and other mechanized equipment to peanut producers and provided the peanut oil factory with seed for distribution to farmers. The factory also distributed bags and money to growers and guaranteed to purchase all peanuts at a base price of 6 pesos per 50 kilogram bag of nuts in the shell (\$109 per short ton) at the farm. With a decline in prices for competitive crops in the winter of 1948-49, peanut raising became attractive and farmers planted heavily.

Production of peanut oil is reported at 2,657 tons in 1949 compared with 2,233 tons in 1948. The large 1949 production of peanuts for crushing during 1950 has resulted in an oversupply of peanut oil at present price levels. Accordingly, the factory has undertaken to cut back production during 1950 by reducing the purchase price to 5 pesos per 50 kilograms of unshelled nuts (\$91 per ton), by reducing the distribution of seed, and by reducing the volume of its guaranteed purchases. As a result it is likely that the 1950 peanut area will be much smaller than in 1949.

The 1949 coconut harvest was reported at 18 million nuts compared with 17 million in 1948. New plantings in 1949 were made on 7,800 acres against 9,700 the previous year. Most of the production was eaten locally or pressed for oil, principally for use in soap making. During most of 1949, wholesale coconut prices were 25-30 pesos (\$25-30) per 1,000 green nuts or 30-35 pesos (\$30-35) for 1,000 dried nuts.

Small quantities of sesame are produced annually, but official statistics are not available. Part of the output is used locally, principally in the preparation of confectionery and beverages. All other supplies are exported, mainly to Puerto Rico. Shipments during 1949 amounted to 44 tons.

The 1949 production of animal fats reflected favorable forage and breeding conditions during the last 2 years. It is believed that the production of lard, tallow and butter increased over the level of recent years. Estimates, based largely on commercial production, are as follows: lard, 3,470 tons; butter, 250 tons; and tallow 200 tons. Based on the current rate of livestock slaughter, however, it is believed that total lard production was approximately 25 percent higher and that the output of tallow was at least 550 tons.

During 1949 the total supply of soap increased to 6,300 tons compared with 5,800 in 1948. Domestic production of soap and soap products account for about 85 percent of the total supply.

Prices of fats and oils declined gradually throughout 1949 from the postwar highs reached in 1948. Domestic and imported lard prices fell from 70 to 40 cents per pound retail, and wholesale prices declined from 54-60 cents per pound to 35 cents. The decline resulted in a reduction in demand for domestic lard (imported varieties are generally preferred by consumers) and for peanut oil. In October 1949 restrictions were placed on lard importations, and it became possible to raise the price of domestic lard to 55 cents retail by early 1950.

Domestic production of lard and tallow is expected to continue to increase in 1950. Current peanut stocks assure a large output of peanut oil. High prices, however, are limiting consumption. If downward price adjustments are made, the domestic consumption of fats and oils can absorb all present or prospective domestic production.

#### FRANCE PLANTS SMALLER ACREAGE TO OILSEED CROPS

Oilseed plantings in France as of May 1, 1950, estimated at about 297,480 acres, were down 16 percent from the 352,260 acres seeded as of May 1, 1949, according to the American Embassy, Paris. Insect damage was the major factor in the reduction of the rapeseed acreage (winter and spring) from earlier estimates to 260,430 acres compared with 289,720 on May 1 of last year.

Poppy and sunflower seed were reported at 3,290 and 4,900 acres, respectively, against 4,950 and 6,330 on the comparable date of the previous year. Other oilseeds totaled 28,860 acres against 51,260 in 1949. Plantings of sunflower and safflower are being reduced but plantings of flax for seed are increasing in certain regions, particularly in the Department of Loir-et-Cher.

In Northern France yields are expected to be lower than last year because of cold weather and insect damage; in the Paris region prospects are much more favorable.



# SOUTH KOREAN OILSEED PRODUCTION EXCEEDS 1948

Oilseed production in South Korea during 1949 exceeded 1948 by approximately 25 percent. The greatest increase occurred in cottonseed, with production estimated at 83,490 short tons against 57,880 the previous year. Soybean production amounted to 6,654,000 bushels compared with 5,534,000 in 1948. Sesame seed and peanut production also increased while perilla seed output was down slightly.

## SOUTH KOREA: Vegetable oilseed production 1948 and 1949

Oilseed	1948	1949 1/
	Short tons	Short tons
Cottonseed.....	57,880	83,490
Soybeans.....	2/ 166,000	3/ 199,600
Perilla seed.....	540	520
Sesame seed.....	1,720	1,760
Peanuts.....	1,740	2,130
Castor beans.....	1,330	4/

1/ Preliminary. 2/ Approximately 5,534,000 bushels.

3/ Approximately 6,654,000 bushels. 4/ Not available.

Most of the oilseeds produced in Korea are used for domestic extraction of oils, but there is not sufficient information on which to base estimates of the volume thus produced. In the case of sesame seed oil the relative stability of the price during 1949, a year of general inflation, indicates that supply closely approximated demand.

Reports show that during 1949 over 600 tons of rice bran oil and about 120 tons of cottonseed oil were produced. These figures, however, represent only production from Government-collected rice (about 22 percent of the 1948 harvest) and of Government-collected cotton (about 5 percent of the 1948 crop). In addition an unknown quantity of cottonseed oil was produced privately by crude methods.

There were no known exports of vegetable oilseeds or oils during 1949. About 600 tons were imported through private trade channels and by ECA funds.

The shortage of vegetable oils for industrial purposes in Korea continues to be acute. Until April 1950 plants requiring vegetable oils did not purchase such oils on the market but were allocated oils by the Government. Since vegetable oils are now decontrolled, plants

should be able to bid for oils on a free basis. However, the domestic oil supply for industrial use is still limited to the oil extracted from the small percentage of oilseeds that the Government collects. Moreover, in the case of Government-collected rice, provincial authorities return much of the rice bran to the community from which it originated, where it is used for livestock feed.

The Ministry of Commerce and Industry has set approximately 1,650 tons of rice bran oil, 790 tons of cottonseed oil and 60 tons of castor oil as its production goals for 1950.

VENEZUELAN HOG LARD QUOTA  
EXPECTED TO BE ANNOUNCED SHORTLY

Venezuela's quota for the importation of hog lard is, after several months of discussion, expected to be announced soon, according to information recently made available to the Office of Foreign Agricultural Relations. The quota, which is expected to be 4,960 short tons from all sources, probably will be applicable to the 12-month period immediately following public announcement in the Venezuelan official gazette.

Exports of lard to Venezuela from the United States alone in 1949 totaled 6,500 tons of which nearly 90 percent were shipped in the first 6 months. This was roughly twice the volume exported in 1948 or 1947 and about 4 times the tonnage in the 1935-39 period.

The Venezuelan Government, in response to pleas from domestic vegetable lard producers seeking protection against the imports of United States lard, for which prices had dropped sharply, announced on February 17, 1949, the temporary suspension of hog lard import licenses. In May 1949 it announced that new import licenses on lard would not be granted for a period of 6 months ending December 1, 1949. This action, agreed to by the United States after a series of discussions following the proposal of the Venezuelan Government to prohibit temporarily the granting of new import licenses, is permissible under Article VI of the United States-Venezuelan reciprocal trade agreement. Article VI provides in essence, that quantitative restrictions may be applied under "special circumstances" --subject to agreement by both Governments.

Prior to expiration of the 6-months period, the Government of Venezuela proposed an annual hog lard quota within which new licenses would be granted. The proposal was not acceptable to the United States and lengthy negotiations between the two Governments followed. The announcement that is expected soon will reflect the outcome of these discussions.

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NOTE: An extensive statement on the Philippine copra situation (FFO-8-50, June 1, 1950) may be obtained from the Office of Foreign Agricultural Relations, United States Department of Agriculture, Washington 25, D. C.



GRAINS, GRAIN PRODUCTS AND FEEDSPHILIPPINE RICE CROP BREAKS  
PRECEDING YEAR'S RECORD 1/

The 1949-50 Philippine production of rough rice surpassed by a considerable margin the record of a year earlier, according to a report from the American Embassy at Manila. A bumper crop was harvested, despite the pessimistic outlook that prevailed in the planting season, when seed beds were badly infested with army worms and plantings were delayed by insufficient rainfall.

Rice production has increased steadily since the end of the war, when wartime conditions had reduced output considerably below average. The record-breaking 1949-50 harvest is estimated at 5,700 million pounds compared with 5,500 million in 1948-49 and 3,580 million pounds in 1945-46. Pre-war (1935-36/39-40) production averaged 4,700 million pounds annually.

Rice imports during 1949, the largest of the postwar period, reached 320 million pounds in contrast to 265 million during the preceding year. Arrivals in 1949 were valued at \$26,000,000, or almost \$4,000,000 greater than in 1948. This heavy importation together with the comparatively good rice and corn harvest served to maintain supplies at generally adequate levels and contributed to greater price stability during the year.

PHILIPPINES: Milled rice imports by countries of origin,  
average 1935-39, annual 1946-49

Country	: Average : 1935-39	: 1946	: 1947	: 1948	: 1949
	: Million : pounds	: Million : pounds	: Million : pounds	: Million : pounds	: Million : pounds
United States.....	1/	182	217	0	126
Burma.....	0	0	0	9	43
Chile.....	0	3	0	0	0
Ecuador.....	0	18	20	51	41
Egypt.....	0	0	0	16	24
Indochina.....	76	0	0	0	0
Hong Kong.....	0	0	0	22	0
Mexico.....	0	0	0	22	0
Thailand.....	36	109	39	145	87
Other countries.....	5	1	0	0	0
Total.....	117	313	2/276	265	321

1/ Less than 500,000 pounds. 2/ Of this volume, 128 million pounds were reexported to Netherlands Indies, Malaya, Korea, and Okinawa, leaving a balance of 148 million pounds.

Compiled from Bureau of the Census and Statistics and data of NARIC.

1/ A more extensive statement may be obtained from the Office of Foreign Agricultural Relations, U. S. Department of Agriculture, Washington 25, D.C.

Domestic prices in late 1949 and early 1950 were relatively low and well-stabilized. This favorable price situation has been due principally to three factors: abundant stocks of imported rice, favorable rice harvests, and adequate supplies of other foodstuffs. Prices have declined somewhat since January, with the most noticeable drop in late March. Quotations of milled No. 1 Macan during the first half of May were from \$7.49 to \$7.82 as compared with \$9.11 to \$9.72 in January. Current price levels may not be maintained for the remainder of the year, however, as a steady although slight increase is likely to occur during the coming months. Nevertheless, considering the unusually good harvest of rice and other food crops plus the favorable importing position, prices during 1950 should be generally lower and better stabilized than in other postwar years.

PHILIPPINES: Rice prices, per 100 pounds, May 1-13,  
with comparisons

Date	:Native Macan milled:		Imported	: Rough rice	
	:ex-warehouse Manila:			: delivered	
	: No. 1	: No. 2		: Cabanatuan	
	: <u>Dollars</u>	: <u>Dollars</u>	: <u>Dollars</u>	: <u>Dollars</u>	
1949-First Quarter	:	:	:	:	
January-March-High.....	11.34	11.14	13.21	:	6.70
January-March-Low.....	10.77	10.53	11.43	:	6.70
1950	:	:	:	:	
January-High.....	9.72	9.52	1/ 7.49	:	5.24
January-Low.....	9.11	8.91	1/ 7.49	:	4.64
February-High.....	9.31	9.11	1/ 7.49	:	5.04
February-Low.....	9.11	8.91	1/ 7.49	:	4.94
March-High.....	9.31	9.11	1/ 7.49	:	5.04
March-Low.....	7.69	7.49	1/ 7.49	:	4.54
April-High.....	7.90	7.69	1/ 7.49	:	4.89
April-Low.....	7.61	6.16	1/ 7.49	:	4.79
May 1-6-High.....	7.82	7.53	1/ 7.49	:	4.64
May 1-6-Low.....	7.49	7.29	1/ 7.49	:	4.54
May 8-13-High.....	7.69	7.69	1/ 7.49	:	4.64
May 8-13-Low.....	7.49	7.29	1/ 7.49	:	4.54

1/ American.

Daily Market Report, Bureau of Commerce, Philippine Government.

CUBA FIXES CEILING  
PRICE ON CORN

Cuba's Minister of Commerce has signed a resolution establishing ceiling prices on corn now in warehouses, according to a report from the American Embassy at Havana. The need for ceiling prices arose with the sharp increase in corn prices from September 1949 to mid-May 1950. Wholesale prices for corn during this period increased about 75 percent and appeared likely to continue the upward swing unless official action was taken.

General ceilings were announced at all levels. The ceiling for corn f.o.b. warehouse at Oriente Province was placed at the equivalent of \$2.37 per bushel, with the c.i.f. price at Havana set at \$2.62 per bushel. The ceiling price to retailers was announced as \$2.90 and to consumers at \$3.31 per bushel. Those ceilings approximate prices prevailing on the free market at the time the resolution was signed.

In preparation of the above action, corn stocks were frozen throughout the island in early May. For a short time only retail sales were permitted. During this time an inventory of producers' and wholesalers' stocks was made, with the assistance of the Cuban army. The Ministry then issued a statement that stocks of about 540,000 bushels guarantee supplies until the next harvest in September. Some observers, however, predict that some imports will be necessary to meet requirements until the end of the current crop year.

Imports during 1949 were about 11,000 bushels as they were also in 1948. A large part of the imports were from the United States and comprised fancy quality corn of types not grown in Cuba. Exports of corn including cornmeal in 1949 amounted to about 32,000 bushels, almost entirely to Puerto Rico. Exports, ordinarily negligible, were authorized early in 1949 to bolster local prices, which were then low. The upswing in prices began when it became apparent that Cuba's second corn crop, for which the harvest begins in December, would be smaller than usual. Reduced acreage as well as dry weather late in the year reduced this crop. The short crop together with a strong market for feed corn reversed the usual price trend, with wholesale prices ordinarily declining as the second corn crop comes on the market.

The total production of corn in 1949 is estimated at 7.1 million bushels, compared with the record crop of 8.9 million bushels a year earlier. The present strong market position for corn is expected to result in expansion of 1950 plantings, compared with last year's acreage, especially among commercial growers. Planting of the first or summer crop ordinarily starts in April. Dry conditions have held up plantings, but some light rains have been reported in Oriente Province, and planting has begun on a fairly large scale in this the largest production center. If rainfall is adequate for the remainder of the season, a moderately good summer crop is expected, despite the extended dryness.



EGYPTIAN GOVERNMENT TO REQUISITION  
PART OF 1950 WHEAT CROP

A part of each Egyptian grower's 1950 wheat crop will be requisitioned under the terms of a recent decree issued by the Minister of Supply. The amounts to be surrendered vary in different regions according to the area seeded. Growers of only 1 to 2 acres are not in different regions required to deliver any wheat. Other growers' required deliveries range up to about 24 bushels per acre. Sale of any part of the 1950 crop to other than the Government is subject to a permit from the Ministry of Supply.

Provisions of the decree prohibit removal of wheat from the village where harvested without a special permit from the Governor of the Province if movement is to be within the Province, or from the Ministry of Supply if the movement is to be outside the Province. Certain requirements are set up as to the quality of grain to be delivered.

Since the war years Egypt's production of wheat and corn has not kept pace with the increased population and larger imports are required. For a number of years prior to 1949 the Government required landowners to plant specified percentages of their land to wheat. In 1949, however, that requirement was not made and the wheat acreage seeded in the fall is reported to have shown some decline since there was a strong incentive to grow cotton, with its comparatively high price.

LIVESTOCK AND ANIMAL PRODUCTS

BELGIUM REMOVES CHEESE TARIFF  
AND SUBSIDIZES DAIRY PRODUCTS

The Belgian Committee for Economic Coordination announced on May 9 the removal of the 12 cents per pound import duty on cheese and will now assist cheese producers with about a 12-cent per pound subsidy.

Producers will also receive a subsidy for whole milk powder of about 7 cents per pound and for condensed milk of about  $2\frac{1}{2}$  cents per pound. Processors will have to comply with a stipulation of minimum milk prices to farmers to be eligible for the subsidy. The removal of the tariff was felt to be more consistent with former policy and will also lower prices to consumers as domestic production represents only about one-fifth of the consumption.

COTTON AND OTHER FIBER

INDIAN COTTON  
CONSUMPTION DECLINES

Cotton consumption in India continues at levels about 15 percent under last year due largely to an inadequate supply of raw cotton. Cotton consumption by mills during the first 7 months (August-February, 1949-50) of the current season was reported at about 1,790,000 bales (480 pounds net) as compared to 2,113,000 bales during the corresponding period of the previous year.



Cotton mills are expected to consume about 3,175,000 bales during the 1949-50 season or about 300,000 bales under the 3,475,000 consumed last season. An additional 225,000 bales are reported to be consumed annually in home industries. Thus, raw cotton requirements in India will total about 3,400,000 bales for the 1949-50 season.

Stocks of cotton at mills as of the end of February were sufficient for only 3 to 3-1/2 months' requirements at the reduced consumption rate. Except in South India the cotton harvest is complete and most of the cotton has moved to the mills. Therefore, Indian mills must depend upon imports for a major portion of their raw cotton requirements for the remainder of the year.

Indian cotton production in the 1949-50 season is now estimated at about 2,400,000 bales or about 440,000 bales above the estimated crop of 1,960,000 bales produced last season. However, last season India was able to draw on large surplus stocks and also received about 280,000 bales of cotton from Pakistan. Exports of Pakistan cotton stopped after India devalued its currency in September 1949 and Pakistan failed to follow suit. To compensate for this loss of supplies from Pakistan the Government of India has allocated dollar exchange sufficient to purchase about 320,000 bales of U.S. cotton. About 200,000 bales of this cotton had left the United States up to April 1, 1950.

Imports of cotton by India from August through March 1950 were reported at 430,000 bales. Statistical data available indicate that India must import one million bales of cotton during the current season to maintain cotton consumption at present levels.

To increase cotton production next season and, consequently, to reduce India's dependence on imports, the central government has asked the state governments to remove all existing legislative and other restrictions on the growing of cotton and extend to cotton all possible irrigation facilities. Remission of land revenues will be allowed on the additional area brought under cotton cultivation. If, as a result of the diversion of the land from grains to cotton, the supply of grain in any state is reduced, the government of India will compensate the state concerned from the central food grain pool. Although complete details of the plan have not been received it is believed the objective will be to obtain an additional production of 800,000 bales (650,000 bales of 500 pounds gross) next season. It is also expected that some agreement can be reached with Pakistan for next season for the resumption of cotton trade between the two countries. Contrary to general expectation, cotton was not included in the interim trade agreement concluded between India and Pakistan in the third week of April.

# COTTON-PRICE QUOTATIONS ON WORLD MARKETS

The following table shows certain cotton-price quotations on foreign markets converted at current rates of exchange.

COTTON: Spot prices in certain foreign markets, and the  
U.S. gulf-port average

Market location, kind, and quality	Date 1950	Unit of weight	Unit of currency	Price in foreign currency	Equivalent U.S. cents per pound
<u>Alexandria</u>		:Kantar			
Ashmouni, Good.....	6-1	: 99.05 lbs.	:Tallari		(not quoted)
Ashmouni, F.G.F.....	"	: "	: "		(not quoted)
Karnak, Good.....	"	: "	: "	: 76.55	: 44.37
Karnak, F.G.F.....	"	: "	: "	: 70.55	: 40.90
<u>Bombay</u>		:Candy			
Jarila, Fine.....	"	: 784 lbs.	:Rupee	:1/ 620.00	: 16.50
Broach Vijay, Fine.....	"	: "	: "	:1/ 690.00	: 18.37
<u>Karachi</u>		:Maund			
4F Punjab, S.G., Fine....	5-31	: 82.28 lbs.	: "	: 75.50	: 27.68
289F Sind, S.G., Fine....	"	: "	: "	: 77.25	: 28.32
289F Punjab, S.G., Fine..	"	: "	: "	: 80.50	: 29.52
<u>Buenos Aires</u>		:Metric ton			
Type B.....	6-1	: 2204.6 lbs.	:Peso	:2/ 4300.00	: 40.36
<u>Lima</u>		:Sp. quintal			
Tanguis, Type 5.....	5-31	: 101.4 lbs.	:Sol	:1/ 381.00	: 25.05
Pima, Type 1.....	"	: "	: "		(not quoted)
<u>Recife</u>		:Arroba			
Mata, Type 4.....	6-1	: 33.07 lbs.	:Cruzeiro	: 190.00	: 31.26
Sertao, Type 5.....	"	: "	: "		(not available)
Sertao, Type 4.....	"	: "	: "	: 235.00	: 38.66
<u>Sao Paulo</u>					
Sao Paulo, Type 5.....	"	: "	: "	: 210.00	: 34.55
<u>Torreon</u>		:Sp. quintal			
Middling, 15/16".....	"	: 101.4 lbs.	:Peso	: 231.00	: 26.33
<u>Houston-Galveston-New</u>					
Orleans av. Mid. 15/16"...	"	:Pound	:Cent	: XXXXX	: 33.40

Quotations of foreign markets reported by cable from U. S. Foreign Service posts abroad. U.S. quotations from designated spot markets.

1/ Nominal.

2/ Price omitted from last week's table: Buenos Aires, May 24, 1950, in pesos per metric ton with U.S. cents per pound in parentheses, Type B, 4300.00 (40.36).

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Crop conditions over the grain belt of Canada are extremely variable, with excessive moisture in Manitoba and dry conditions over much of Saskatchewan and Alberta. The season is somewhat later than usual, but seeding was making good progress in most areas, at the end of May.

Spring rainfall in Manitoba averaged about 60 percent above normal, and floods in the Red River Valley affected an estimated half million acres of crop land. Seeding at the end of May was making rapid progress except in the flooded areas. Subsoil moisture reserves are low in Saskatchewan, though spring rainfall was only about 14 percent below normal. Excellent progress was reported in all but a few local areas by May 30. Conditions in Alberta have been dry with spring rainfall averaging 35 percent below normal and subsoil reserves low. Soil drifting has been reported in many areas. Wheat seeding was nearly finished and coarse grains from 40-90 percent completed.

The first official estimate of the crop is scheduled for August 15.

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The 1949-50 cotton production estimate for South Brazil has been revised downward by 70,000 bales because of excessive rainfall in the middle (April) of the picking season. The fourth official estimate for the State of Sao Paulo is equivalent to 1,013,000 bales of 500 pounds gross weight, compared with a third estimate of 1,083,000 bales. The 1949-50 crop in all Brazil, based partly on earlier estimates for North Brazil and minor producing areas in South Brazil, may be calculated at 1,565,000 bales or 65,000 greater than in 1948-49. Cotton acreage in Sao Paulo was increased this year to 2,912,000 acres or 23 percent higher than the 2,374,000 acres reported in 1948-49.

U. S. DEPARTMENT OF AGRICULTURE  
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